

110TH CONGRESS  
1ST SESSION

# H. R. 4294

To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 5, 2007

Mr. PRICE of North Carolina (for himself, Mr. SHAYS, Mr. CASTLE, Mr. EMANUEL, Mr. PLATTS, and Mr. VAN HOLLEN) introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

### 3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Presidential Funding Act of 2007”.

6 (b) TABLE OF CONTENTS.—The table of contents of  
7 this Act is as follows:

Sec. 1. Short title; table of contents.



- Sec. 2. Revisions to system of Presidential primary matching payments.
- Sec. 3. Requiring participation in primary payment system as condition of eligibility for general election payments.
- Sec. 4. Revisions to expenditure limits.
- Sec. 5. Additional payments and increased expenditure limits for candidates participating in public financing who face certain nonparticipating opponents.
- Sec. 6. Establishment of uniform date for release of payments from Presidential Election Campaign Fund to eligible candidates.
- Sec. 7. Revisions to designation of income tax payments by individual taxpayers.
- Sec. 8. Amounts in Presidential Election Campaign Fund.
- Sec. 9. Regulation of convention financing.
- Sec. 10. Disclosure of bundled contributions to presidential campaigns.
- Sec. 11. Effective date.

1   **SEC. 2. REVISIONS TO SYSTEM OF PRESIDENTIAL PRIMARY**  
2                                   **MATCHING PAYMENTS.**

3           (a) INCREASE IN MATCHING PAYMENTS.—

4                   (1) IN GENERAL.—Section 9034(a) of the In-  
5           ternal Revenue Code of 1986 is amended—

6                           (A) by striking “an amount equal to the  
7                           amount” and inserting “an amount equal to  
8                           400 percent of the amount”; and

9                           (B) by striking “\$250” and inserting  
10                           “\$200”.

11                   (2) ADDITIONAL MATCHING PAYMENTS FOR  
12           CANDIDATES AFTER MARCH 31 OF THE ELECTION  
13           YEAR.—Section 9034(b) of such Code is amended to  
14           read as follows:

15           “(b) ADDITIONAL PAYMENTS FOR CANDIDATES  
16   AFTER MARCH 31 OF THE ELECTION YEAR.—In addition  
17   to any payment under subsection (a), an individual who  
18   is a candidate after March 31 of the calendar year in



1 which the presidential election is held and who is eligible  
2 to receive payments under section 9033 shall be entitled  
3 to payments under section 9037 in an amount equal to  
4 the amount of each contribution received by such indi-  
5 vidual after March 31 of the calendar year in which such  
6 presidential election is held, disregarding any amount of  
7 contributions from any person to the extent that the total  
8 of the amounts contributed by such person after such date  
9 exceeds \$200.”.

10 (3) CONFORMING AMENDMENTS.—Section 9034  
11 of such Code, as amended by paragraph (2), is  
12 amended—

13 (A) by striking the last sentence of sub-  
14 section (a); and

15 (B) by inserting after subsection (b) the  
16 following new subsection:

17 “(c) CONTRIBUTION DEFINED.—For purposes of this  
18 section and section 9033(b), the term ‘contribution’ means  
19 a gift of money made by a written instrument which iden-  
20 tifies the person making the contribution by full name and  
21 mailing address, but does not include a subscription, loan,  
22 advance, or deposit of money, or anything of value or any-  
23 thing described in subparagraph (B), (C), or (D) of sec-  
24 tion 9032(4).”.

25 (b) ELIGIBILITY REQUIREMENTS.—



1           (1) AMOUNT OF AGGREGATE CONTRIBUTIONS  
2       PER STATE.—Section 9033(b)(3) of such Code is  
3       amended by striking “\$5,000” and inserting  
4       “\$25,000”.

5           (2) AMOUNT OF INDIVIDUAL CONTRIBU-  
6       TIONS.—Section 9033(b)(4) of such Code is amend-  
7       ed by striking “\$250” and inserting “\$200”.

8           (3) PARTICIPATION IN SYSTEM FOR PAYMENTS  
9       FOR GENERAL ELECTION.—Section 9033(b) of such  
10      Code is amended—

11           (A) by striking “and” at the end of para-  
12      graph (3);

13           (B) by striking the period at the end of  
14      paragraph (4) and inserting “, and”; and

15           (C) by adding at the end the following new  
16      paragraph:

17           “(5) if the candidate is nominated by a political  
18      party for election to the office of President, the can-  
19      didate will apply for and accept payments with re-  
20      spect to the general election for such office in ac-  
21      cordance with chapter 95, including the requirement  
22      that the candidate and the candidate’s authorized  
23      committees will not incur qualified campaign ex-  
24      penses in excess of the aggregate payments to which  
25      they will be entitled under section 9004.”.



1 (c) PERIOD OF AVAILABILITY OF PAYMENTS.—Sec-  
 2 tion 9032(6) of such Code is amended by striking “begin-  
 3 ning with the beginning of the calendar year” and insert-  
 4 ing “beginning with the date that is 6 months prior to  
 5 the date of the earliest primary election held in any State  
 6 during the calendar year”.

7 **SEC. 3. REQUIRING PARTICIPATION IN PRIMARY PAYMENT**  
 8 **SYSTEM AS CONDITION OF ELIGIBILITY FOR**  
 9 **GENERAL ELECTION PAYMENTS.**

10 (a) MAJOR PARTY CANDIDATES.—Section 9003(b) of  
 11 the Internal Revenue Code of 1986 is amended—

12 (1) by redesignating paragraphs (1) and (2) as  
 13 paragraphs (2) and (3); and

14 (2) by inserting before paragraph (2) (as so re-  
 15 designated) the following new paragraph:

16 “(1) the candidate received payments under  
 17 chapter 96 for the campaign for nomination;”.

18 (b) MINOR PARTY CANDIDATES.—Section 9003(c) of  
 19 such Code is amended—

20 (1) by redesignating paragraphs (1) and (2) as  
 21 paragraphs (2) and (3); and

22 (2) by inserting before paragraph (2) (as so re-  
 23 designated) the following new paragraph:

24 “(1) the candidate received payments under  
 25 chapter 96 for the campaign for nomination;”.



1 **SEC. 4. REVISIONS TO EXPENDITURE LIMITS.**

2 (a) INCREASE IN EXPENDITURE LIMITS FOR PAR-  
 3 TICIPATING CANDIDATES; ELIMINATION OF STATE-SPE-  
 4 CIFIC LIMITS.—

5 (1) IN GENERAL.—Section 315(b)(1) of the  
 6 Federal Election Campaign Act of 1971 (2 U.S.C.  
 7 441a(b)(1)) is amended by striking “may make ex-  
 8 penditures in excess of” and all that follows and in-  
 9 serting “may make expenditures—

10 “(A) with respect to a campaign for nomination  
 11 for election to such office—

12 “(i) in excess of \$100,000,000 before April  
 13 1 of the calendar year in which the presidential  
 14 election is held, and

15 “(ii) in excess of \$150,000,000 before the  
 16 date described in section 9006(b) of the Inter-  
 17 nal Revenue Code of 1986; and

18 “(B) with respect to a campaign for election to  
 19 such office, in excess of \$100,000,000.”.

20 (2) CLERICAL CORRECTION.—Section  
 21 9004(a)(1) of the Internal Revenue Code of 1986 is  
 22 amended by striking “section 320(b)(1)(B) of the  
 23 Federal Election Campaign Act of 1971” and insert-  
 24 ing “section 315(b)(1)(B) of the Federal Election  
 25 Campaign Act of 1971”.



1       (b) INCREASE IN LIMIT ON COORDINATED PARTY  
2 EXPENDITURES.—Section 315(d)(2) of the Federal Elec-  
3 tion Campaign Act of 1971 (2 U.S.C. 441a(d)(2)) is  
4 amended to read as follows:

5       “(2)(A) The national committee of a political party  
6 may not make any expenditure in connection with the gen-  
7 eral election campaign of any candidate for President of  
8 the United States who is affiliated with such party which  
9 exceeds \$25,000,000.

10       “(B) Notwithstanding the limitation under subpara-  
11 graph (A), during the period beginning on April 1 of the  
12 year in which a presidential election is held and ending  
13 on the date described in section 9006(b) of the Internal  
14 Revenue Code of 1986, the national committee of a polit-  
15 ical party may make additional expenditures in connection  
16 with the general election campaign of a candidate for  
17 President of the United States who is affiliated with such  
18 party in an amount not to exceed \$25,000,000.

19       “(C)(i) Notwithstanding subparagraph (B) or the  
20 limitation under subparagraph (A), if any nonpartici-  
21 pating primary candidate (within the meaning of sub-  
22 section (b)(3)) affiliated with the national committee of  
23 a political party receives contributions or makes expendi-  
24 tures with respect to such candidate’s campaign in an ag-  
25 gregate amount greater than 120 percent of the expendi-



1 ture limitation in effect under subsection (b)(1)(A)(ii),  
2 then during the period described in clause (ii), the national  
3 committee of any other political party may make expendi-  
4 tures in connection with the general election campaign of  
5 a candidate for President of the United States who is af-  
6 filiated with such other party without limitation.

7 “(ii) The period described in this clause is the pe-  
8 riod—

9 “(I) beginning on the later of April 1 of the  
10 year in which a presidential election is held or the  
11 date which such nonparticipating primary candidate  
12 first receives contributions or makes expenditures in  
13 the aggregate amount described in clause (i), and

14 “(II) ending on the earlier of the date such  
15 nonparticipating primary candidate ceases to be a  
16 candidate for nomination to the office of President  
17 of the United States and is not a candidate for such  
18 office or the date described in section 9006(b) of the  
19 Internal Revenue Code of 1986.

20 “(iii) If the nonparticipating primary candidate de-  
21 scribed in clause (i) ceases to be a candidate for nomina-  
22 tion to the office of President of the United States and  
23 is not a candidate for such office, clause (i) shall not apply  
24 and the limitations under subparagraphs (A) and (B) shall  
25 apply. It shall not be considered to be a violation of this



1 Act if the application of the preceding sentence results in  
2 the national committee of a political party violating the  
3 limitations under subparagraphs (A) and (B) solely by  
4 reason of expenditures made by such national committee  
5 during the period which clause (i) applied.

6 “(D) For purposes of this paragraph—

7 “(i) any expenditure made by or on behalf of a  
8 national committee of a political party and in con-  
9 nection with a presidential election shall be consid-  
10 ered to be made in connection with the general elec-  
11 tion campaign of a candidate for President of the  
12 United States who is affiliated with such party, and

13 “(ii) any communication made by or on behalf  
14 of such party shall be considered to be made in con-  
15 nection with the general election campaign of a can-  
16 didate for President of the United States who is af-  
17 filiated with such party if any portion of the commu-  
18 nication is in connection with such election.

19 “(E) Any expenditure under this paragraph shall be  
20 in addition to any expenditure by a national committee  
21 of a political party serving as the principal campaign com-  
22 mittee of a candidate for the office of President of the  
23 United States.”.

24 (c) CONFORMING AMENDMENTS RELATING TO TIM-  
25 ING OF COST-OF-LIVING ADJUSTMENT.—



1           (1) IN GENERAL.—Section 315(c)(1) of such  
2   Act (2 U.S.C. 441a(c)(1)) is amended—

3                   (A) in subparagraph (B), by striking “(b),  
4           (d),” and inserting “(d)(3)”; and

5                   (B) by inserting at the end the following  
6   new subparagraph:

7   “(D) In any calendar year after 2008—

8                   “(i) a limitation established by subsection (b) or  
9           (d)(2) shall be increased by the percent difference  
10   determined under subparagraph (A);

11                   “(ii) each amount so increased shall remain in  
12   effect for the calendar year; and

13                   “(iii) if any amount after adjustment under  
14   clause (i) is not a multiple of \$100, such amount  
15   shall be rounded to the nearest multiple of \$100.”.

16           (2) BASE YEAR.—Section 315(c)(2)(B) of such  
17   Act (2 U.S.C. 441a(c)(2)(B)) is amended—

18                   (A) in clause (i), by striking “subsections  
19           (b) and (d)” and inserting “subsection (d)(3)”;  
20                   (B) in clause (i), by striking “and” at the  
21           end;

22                   (C) in clause (ii), by striking the period at  
23           the end and inserting “; and”; and

24                   (D) by adding at the end the following new  
25   clause:



1 “(iii) for purposes of subsection (b) and  
 2 (d)(2), calendar year 2007.”.

3 (d) REPEAL OF EXCLUSION OF FUNDRAISING COSTS  
 4 FROM TREATMENT AS EXPENDITURES.—Section  
 5 301(9)(B)(vi) of the Federal Election Campaign Act of  
 6 1971 (2 U.S.C. 431(9)(B)(vi)) is amended by striking “in  
 7 excess of an amount equal to 20 percent of the expenditure  
 8 limitation applicable to such candidate under section  
 9 315(b)” and inserting the following: “who is seeking nomi-  
 10 nation for election or election to the office of President  
 11 or Vice President of the United States”.

12 **SEC. 5. ADDITIONAL PAYMENTS AND INCREASED EXPENDI-**  
 13 **TURE LIMITS FOR CANDIDATES PARTICI-**  
 14 **PATING IN PUBLIC FINANCING WHO FACE**  
 15 **CERTAIN NONPARTICIPATING OPPONENTS.**

16 (a) CANDIDATES IN PRIMARY ELECTIONS.—

17 (1) ADDITIONAL PAYMENTS.—

18 (A) IN GENERAL.—Section 9034 of the In-  
 19 ternal Revenue Code of 1986, as amended by  
 20 section 2, is amended by redesignating sub-  
 21 section (c) as subsection (d) and by inserting  
 22 after subsection (b) the following new sub-  
 23 section:

24 “(c) ADDITIONAL PAYMENTS FOR CANDIDATES FAC-  
 25 ING NONPARTICIPATING OPPONENTS.—



1           “(1) IN GENERAL.—In addition to any pay-  
2           ments provided under subsections (a) and (b), each  
3           candidate described in paragraph (2) shall be enti-  
4           tled to—

5                   “(A) a payment under section 9037 in an  
6           amount equal to the amount of each contribu-  
7           tion received by such candidate on or after the  
8           date that is 6 months prior to the date of the  
9           earliest primary election held in any State dur-  
10          ing the calendar year of the presidential election  
11          with respect to which such candidate is seeking  
12          nomination and before the qualifying date, dis-  
13          regarding any amount of contributions from  
14          any person to the extent that the total of the  
15          amounts contributed by such person exceeds  
16          \$200, and

17                   “(B) payments under section 9037 in an  
18          amount equal to the amount of each contribu-  
19          tion received by such candidate on or after the  
20          qualifying date, disregarding any amount of  
21          contributions from any person to the extent  
22          that the total of the amounts contributed by  
23          such person exceeds \$200.



1           “(2) CANDIDATES TO WHOM THIS SUBSECTION  
2       APPLIES.—A candidate is described in this para-  
3       graph if such candidate—

4           “(A) is eligible to receive payments under  
5       section 9033, and

6           “(B) is opposed by a nonparticipating pri-  
7       mary candidate of the same political party who  
8       receives contributions or makes expenditures  
9       with respect to the campaign—

10           “(i) before April 1 of the year in  
11       which the presidential election is held, in  
12       an aggregate amount greater than 120  
13       percent of the expenditure limitation under  
14       section 315(b)(1)(A)(i) of the Federal  
15       Election Campaign Act of 1971, or

16           “(ii) before the date described in sec-  
17       tion 9006(b), in an aggregate amount  
18       greater than 120 percent of the expendi-  
19       ture limitation under section  
20       315(b)(1)(A)(ii) of such Act.

21           “(3) NONPARTICIPATING PRIMARY CAN-  
22       DIDATE.—In this subsection, the term ‘nonparti-  
23       pating primary candidate’ means a candidate for  
24       nomination for election for the office of President



1 who is not eligible under section 9033 to receive pay-  
2 ments from the Secretary under this chapter.

3 “(4) QUALIFYING DATE.—In this subsection,  
4 the term ‘qualifying date’ means the first date on  
5 which the contributions received or expenditures  
6 made by the nonparticipating primary candidate de-  
7 scribed in paragraph (2)(B) exceed the amount de-  
8 scribed under either clause (i) or clause (ii) of such  
9 paragraph.”.

10 (B) CONFORMING AMENDMENT.—Section  
11 9034(b)(2) of such Code, as amended by sec-  
12 tion 2, is amended by striking “subsection (a)”  
13 and inserting “subsections (a) and (c)”.

14 (2) INCREASE IN EXPENDITURE LIMIT.—Sec-  
15 tion 315(b) of the Federal Election Campaign Act of  
16 1971 (2 U.S.C. 441a(b)) is amended by adding at  
17 the end the following new paragraph:

18 “(3)(A) In the case of an eligible candidate, each of  
19 the limitations under clause (i) and (ii) of paragraph  
20 (1)(A) shall be increased—

21 “(i) by \$50,000,000, if any nonparticipating  
22 primary candidate of the same political party as  
23 such candidate receives contributions or makes ex-  
24 penditures with respect to the campaign in an aggre-  
25 gate amount greater than 120 percent of the ex-



1       penditure limitation applicable to eligible candidates  
2       under clause (i) or (ii) of paragraph (1)(A) (before  
3       the application of this clause), and

4               “(ii) by \$100,000,000, if such nonparticipating  
5       primary candidate receives contributions or makes  
6       expenditures with respect to the campaign in an ag-  
7       gregate amount greater than 120 percent of the ex-  
8       penditure limitation applicable to eligible candidates  
9       under clause (i) or (ii) of paragraph (1)(A) after the  
10      application of clause (i).

11      “(B) Each dollar amount under subparagraph (A)  
12      shall be considered a limitation under this subsection for  
13      purposes of subsection (c).

14      “(C) In this paragraph, the term ‘eligible candidate’  
15      means, with respect to any period, a candidate—

16               “(i) who is eligible to receive payments under  
17      section 9033 of the Internal Revenue Code of 1986;

18               “(ii) who is opposed by a nonparticipating pri-  
19      mary candidate; and

20               “(iii) with respect to whom the Commission has  
21      given notice under section 304(i)(1)(B)(i).

22      “(D) In this paragraph, the term ‘nonparticipating  
23      primary candidate’ means, with respect to any eligible can-  
24      didate, a candidate for nomination for election for the of-  
25      fice of President who is not eligible under section 9033



1 of the Internal Revenue Code of 1986 to receive payments  
2 from the Secretary of the Treasury under chapter 96 of  
3 such Code.”.

4 (b) CANDIDATES IN GENERAL ELECTIONS.—

5 (1) ADDITIONAL PAYMENTS.—

6 (A) IN GENERAL.—Section 9004(a)(1) of  
7 the Internal Revenue Code of 1986 is amend-  
8 ed—

9 (i) by striking “(1) The eligible can-  
10 didates” and inserting “(1)(A) Except as  
11 provided in subparagraph (B), the eligible  
12 candidates”; and

13 (ii) by adding at the end the following  
14 new subparagraph:

15 “(B) In addition to the payments described in  
16 subparagraph (A), each eligible candidate of a major  
17 party in a presidential election with an opponent in  
18 the election who is not eligible to receive payments  
19 under section 9006 and who receives contributions  
20 or makes expenditures with respect to the primary  
21 and general elections in an aggregate amount great-  
22 er than 120 percent of the combined expenditure  
23 limitations applicable to eligible candidates under  
24 section 315(b)(1) of the Federal Election Campaign  
25 Act of 1971 shall be entitled to an equal payment



1 under section 9006 in an amount equal to 100 per-  
2 cent of the expenditure limitation applicable under  
3 such section with respect to a campaign for election  
4 to the office of President.”.

5 (B) SPECIAL RULE FOR MINOR PARTY  
6 CANDIDATES.—Section 9004(a)(2)(A) of such  
7 Code is amended—

8 (i) by striking “(A) The eligible can-  
9 didates” and inserting “(A)(i) Except as  
10 provided in clause (ii), the eligible can-  
11 didates”; and

12 (ii) by adding at the end the following  
13 new clause:

14 “(ii) In addition to the payments described in  
15 clause (i), each eligible candidate of a minor party  
16 in a presidential election with an opponent in the  
17 election who is not eligible to receive payments  
18 under section 9006 and who receives contributions  
19 or makes expenditures with respect to the primary  
20 and general elections in an aggregate amount great-  
21 er than 120 percent of the combined expenditure  
22 limitations applicable to eligible candidates under  
23 section 315(b)(1) of the Federal Election Campaign  
24 Act of 1971 shall be entitled to an equal payment  
25 under section 9006 in an amount equal to 100 per-



1 cent of the payment to which such candidate is enti-  
 2 tled under clause (i).”.

3 (2) EXCLUSION OF ADDITIONAL PAYMENT  
 4 FROM DETERMINATION OF EXPENDITURE LIMITS.—  
 5 Section 315(b) of the Federal Election Campaign  
 6 Act of 1971 (2 U.S.C. 441a(b)), as amended by sub-  
 7 section (a), is amended by adding at the end the fol-  
 8 lowing new paragraph:

9 “(4) In the case of a candidate who is eligible to re-  
 10 ceive payments under section 9004(a)(1)(B) or  
 11 9004(a)(2)(A)(ii) of the Internal Revenue Code of 1986,  
 12 the limitation under paragraph (1)(B) shall be increased  
 13 by the amount of such payments received by the can-  
 14 didate.”.

15 (c) PROCESS FOR DETERMINATION OF ELIGIBILITY  
 16 FOR ADDITIONAL PAYMENT AND INCREASED EXPENDI-  
 17 TURE LIMITS.—Section 304 of the Federal Election Cam-  
 18 paign Act of 1971 (2 U.S.C. 434) is amended by adding  
 19 at the end the following new subsection

20 “(i) REPORTING AND CERTIFICATION FOR ADDI-  
 21 TIONAL PUBLIC FINANCING PAYMENTS FOR CAN-  
 22 DIDATES.—

23 “(1) PRIMARY CANDIDATES.—

24 “(A) NOTIFICATION OF EXPENDITURES BY  
 25 INELIGIBLE CANDIDATES.—



1           “(i) EXPENDITURES IN EXCESS OF  
2           120 PERCENT OF LIMIT.—If a candidate  
3           for a nomination for election for the office  
4           of President who is not eligible to receive  
5           payments under section 9033 of the Inter-  
6           nal Revenue Code of 1986 receives con-  
7           tributions or makes expenditures with re-  
8           spect to the primary election in an aggre-  
9           gate amount greater than 120 percent of  
10          the expenditure limitation applicable to eli-  
11          gible candidates under clause (i) or (ii) of  
12          section 315(b)(1)(A), the candidate shall  
13          notify the Commission in writing that the  
14          candidate has received aggregate contribu-  
15          tions or made aggregate expenditures in  
16          such an amount not later than 24 hours  
17          after first receiving aggregate contribu-  
18          tions or making aggregate expenditures in  
19          such an amount.

20          “(ii) EXPENDITURES IN EXCESS OF  
21          120 PERCENT OF INCREASED LIMIT.—If a  
22          candidate for a nomination for election for  
23          the office of President who is not eligible  
24          to receive payments under section 9033 of  
25          the Internal Revenue Code of 1986 re-



1 ceives contributions or makes expenditures  
2 with respect to the primary election in an  
3 aggregate amount greater than 120 per-  
4 cent of the expenditure limitation applica-  
5 ble to eligible candidates under section  
6 315(b) after the application of paragraph  
7 (3)(A)(i) thereof, the candidate shall notify  
8 the Commission in writing that the can-  
9 didate has received aggregate contributions  
10 or made aggregate expenditures in such an  
11 amount not later than 24 hours after first  
12 receiving aggregate contributions or mak-  
13 ing aggregate expenditures in such an  
14 amount.

15 “(B) CERTIFICATION.—Not later than 24  
16 hours after receiving any written notice under  
17 subparagraph (A) from a candidate, the Com-  
18 mission shall—

19 “(i) certify to the Secretary of the  
20 Treasury that opponents of the candidate  
21 are eligible for additional payments under  
22 section 9034(c) of the Internal Revenue  
23 Code of 1986;

24 “(ii) notify each opponent of the can-  
25 didate who is eligible to receive payments



1 under section 9033 of the Internal Rev-  
2 enue Code of 1986 of the amount of the  
3 increased limitation on expenditures which  
4 applies pursuant to section 315(b)(3); and

5 “(iii) in the case of a notice under  
6 subparagraph (A)(i), notify the national  
7 committee of each political party (other  
8 than the political party with which the can-  
9 didate is affiliated) of the inapplicability of  
10 expenditure limits under section 315(d)(2)  
11 pursuant to subparagraph (C) thereof.

12 “(2) GENERAL ELECTION CANDIDATES.—

13 “(A) NOTIFICATION OF EXPENDITURES BY  
14 INELIGIBLE CANDIDATES.—If a candidate in a  
15 presidential election who is not eligible to re-  
16 ceive payments under section 9006 of the Inter-  
17 nal Revenue Code of 1986 receives contribu-  
18 tions or makes expenditures with respect to the  
19 primary and general elections in an aggregate  
20 amount greater than 120 percent of the com-  
21 bined expenditure limitations applicable to eligi-  
22 ble candidates under section 315(b)(1), the can-  
23 didate shall notify the Commission in writing  
24 that the candidate has received aggregate con-  
25 tributions or made aggregate expenditures in



1           such an amount not later than 24 hours after  
2           first receiving aggregate contributions or mak-  
3           ing aggregate expenditures in such an amount.

4           “(B) CERTIFICATION.—Not later than 24  
5           hours after receiving a written notice under  
6           subparagraph (A), the Commission shall certify  
7           to the Secretary of the Treasury for payment to  
8           any eligible candidate who is entitled to an ad-  
9           ditional payment under paragraph (1)(B) or  
10          (2)(A)(ii) of section 9004(a) of the Internal  
11          Revenue Code of 1986 that the candidate is en-  
12          titled to payment in full of the additional pay-  
13          ment under such section.”.

14 **SEC. 6. ESTABLISHMENT OF UNIFORM DATE FOR RELEASE**  
15 **OF PAYMENTS FROM PRESIDENTIAL ELEC-**  
16 **TION CAMPAIGN FUND TO ELIGIBLE CAN-**  
17 **DIDATES.**

18          (a) IN GENERAL.—The first sentence of section  
19 9006(b) of the Internal Revenue Code of 1986 is amended  
20 to read as follows: “If the Secretary of the Treasury re-  
21 ceives a certification from the Commission under section  
22 9005 for payment to the eligible candidates of a political  
23 party, the Secretary shall, on the last Friday occurring  
24 before the first Monday in September, pay to such can-



1 didates of the fund the amount certified by the Commis-  
 2 sion.”.

3 (b) CONFORMING AMENDMENT.—The first sentence  
 4 of section 9006(c) of such Code is amended by striking  
 5 “the time of a certification by the Comptroller General  
 6 under section 9005 for payment” and inserting “the time  
 7 of making a payment under subsection (b)”.

8 **SEC. 7. REVISIONS TO DESIGNATION OF INCOME TAX PAY-**  
 9 **MENTS BY INDIVIDUAL TAXPAYERS.**

10 (a) INCREASE IN AMOUNT DESIGNATED.—Section  
 11 6096(a) of the Internal Revenue Code of 1986 is amend-  
 12 ed—

13 (1) in the first sentence, by striking “\$3” each  
 14 place it appears and inserting “\$10”; and

15 (2) in the second sentence—

16 (A) by striking “\$6” and inserting “\$20”,  
 17 and

18 (B) by striking “\$3” and inserting “\$10”.

19 (b) INDEXING.—Section 6096 of such Code is amend-  
 20 ed by adding at the end the following new subsection:

21 “(d) INDEXING OF AMOUNT DESIGNATED.—

22 “(1) IN GENERAL.—With respect to each tax-  
 23 able year after 2008, each amount referred to in  
 24 subsection (a) shall be increased by the percent dif-  
 25 ference described in paragraph (2), except that if



1       any such amount after such an increase is not a  
2       multiple of \$1, such amount shall be rounded to the  
3       nearest multiple of \$1.

4               “(2) PERCENT DIFFERENCE DESCRIBED.—The  
5       percent difference described in this paragraph with  
6       respect to a taxable year is the percent difference  
7       determined under section 315(c)(1)(A) of the Fed-  
8       eral Election Campaign Act of 1971 with respect to  
9       the calendar year during which the taxable year be-  
10      gins, except that the base year involved shall be  
11      2008.”.

12       (c) ENSURING TAX PREPARATION SOFTWARE DOES  
13      NOT PROVIDE AUTOMATIC RESPONSE TO DESIGNATION  
14      QUESTION.—Section 6096 of such Code, as amended by  
15      subsection (b), is amended by adding at the end the fol-  
16      lowing new subsection:

17       “(e) ENSURING TAX PREPARATION SOFTWARE DOES  
18      NOT PROVIDE AUTOMATIC RESPONSE TO DESIGNATION  
19      QUESTION.—The Secretary shall promulgate regulations  
20      to ensure that electronic software used in the preparation  
21      or filing of individual income tax returns does not auto-  
22      matically accept or decline a designation of a payment  
23      under this section.”.

24       (d) PUBLIC INFORMATION PROGRAM ON DESIGNA-  
25      TION.—Section 6096 of such Code, as amended by sub-



1 sections (b) and (c), is amended by adding at the end the  
2 following new subsection:

3 “(f) PUBLIC INFORMATION PROGRAM.—

4 “(1) IN GENERAL.—The Federal Election Com-  
5 mission shall conduct a program to inform and edu-  
6 cate the public regarding the purposes of the Presi-  
7 dential Election Campaign Fund, the procedures for  
8 the designation of payments under this section, and  
9 the effect of such a designation on the income tax  
10 liability of taxpayers.

11 “(2) USE OF FUNDS FOR PROGRAM.—Amounts  
12 in the Presidential Election Campaign Fund shall be  
13 made available to the Federal Election Commission  
14 to carry out the program under this subsection, ex-  
15 cept that the amount made available for this pur-  
16 pose may not exceed \$10,000,000 with respect to  
17 any Presidential election cycle. In this paragraph, a  
18 ‘Presidential election cycle’ is the 4-year period be-  
19 ginning with January of the year following a Presi-  
20 dential election.”.

21 (e) EFFECTIVE DATE.—The amendments made by  
22 this section shall take effect on the date of the enactment  
23 of this Act.



1 **SEC. 8. AMOUNTS IN PRESIDENTIAL ELECTION CAMPAIGN**  
2 **FUND.**

3 (a) DETERMINATION OF AMOUNTS IN FUND.—Sec-  
4 tion 9006(c) of the Internal Revenue Code of 1986 is  
5 amended by adding at the end the following new sentence:  
6 “In making a determination of whether there are insuffi-  
7 cient moneys in the fund for purposes of the previous sen-  
8 tence, the Secretary shall take into account in determining  
9 the balance of the fund for a Presidential election year  
10 the Secretary’s best estimate of the amount of moneys  
11 which will be deposited into the fund during the year, ex-  
12 cept that the amount of the estimate may not exceed the  
13 average of the annual amounts deposited in the fund dur-  
14 ing the previous 3 years.”.

15 (b) SPECIAL RULE FOR FIRST CAMPAIGN CYCLE  
16 UNDER THIS ACT.—

17 (1) IN GENERAL.—Section 9006 of such Code  
18 is amended by adding at the end the following new  
19 subsection:

20 “(d) SPECIAL AUTHORITY TO BORROW.—

21 “(1) IN GENERAL.—Notwithstanding subsection  
22 (c), there are authorized to be appropriated to the  
23 fund, as repayable advances, such sums as are nec-  
24 essary to carry out the purposes of the fund during  
25 the period ending on the first presidential election



1 occurring after the date of the enactment of this  
2 subsection.

3 “(2) REPAYMENT OF ADVANCES.—

4 “(A) IN GENERAL.—Advances made to the  
5 fund shall be repaid, and interest on such ad-  
6 vances shall be paid, to the general fund of the  
7 Treasury when the Secretary determines that  
8 moneys are available for such purposes in the  
9 fund.

10 “(B) RATE OF INTEREST.—Interest on ad-  
11 vances made to the fund shall be at a rate de-  
12 termined by the Secretary of the Treasury (as  
13 of the close of the calendar month preceding the  
14 month in which the advance is made) to be  
15 equal to the current average market yield on  
16 outstanding marketable obligations of the  
17 United States with remaining periods to matu-  
18 rity comparable to the anticipated period during  
19 which the advance will be outstanding and shall  
20 be compounded annually.”.

21 (2) EFFECTIVE DATE.—The amendment made  
22 by this subsection shall take effect on the date of the  
23 enactment of this Act.



1 **SEC. 9. REGULATION OF CONVENTION FINANCING.**

2 Section 323 of the Federal Election Campaign Act  
3 of 1971 (2 U.S.C. 441i) is amended by adding at the end  
4 the following new subsection:

5 “(g) NATIONAL CONVENTIONS.—

6 “(1) IN GENERAL.—Any person described in  
7 subsection (e) (other than a person described in  
8 paragraph (3)) shall not solicit, receive, direct,  
9 transfer, or spend any funds in connection with a  
10 presidential nominating convention of any political  
11 party, including funds for a host committee, civic  
12 committee, municipality, or any other person or enti-  
13 ty spending funds in connection with such a conven-  
14 tion, unless such funds—

15 “(A) are not in excess of the amounts per-  
16 mitted with respect to contributions to the po-  
17 litical committee established and maintained by  
18 a national political party committee under sec-  
19 tion 315; and

20 “(B) are not from a sources prohibited by  
21 this Act from making contributions in connec-  
22 tion with an election for Federal office.

23 “(2) EXCEPTION FOR CERTAIN PAYMENTS.—

24 Paragraph (1) shall not apply to—

25 “(A) payments by a Federal, State, or  
26 local government if the funds used for the pay-



ments are from the general public tax revenues of such government and are not derived from donations made to a State or local government for purposes of any convention; and

“(B) payments by any person for the purpose of promoting the suitability of a city as a convention site in advance of its selection, welcoming convention attendees to the city, or providing shopping or entertainment guides to convention attendees.

“(3) CERTAIN PERSONS EXCLUDED.—A person described in this paragraph is a person described in subsection (e) for whom the Federal office referred to in that subsection is the office of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress from the State in which the presidential nominating convention is held.”.

**SEC. 10. DISCLOSURE OF BUNDLED CONTRIBUTIONS TO  
PRESIDENTIAL CAMPAIGNS.**

(a) IN GENERAL.—Paragraphs (1) through (3) of section 304(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(i)), as added by section 204(a) of the Honest Leadership and Open Government Act of 2007, are amended to read as follows:

“(1) IN GENERAL.—



1           “(A) DISCLOSURE OF BUNDLED CON-  
2           TRIBUTIONS BY LOBBYISTS.—Each committee  
3           described in paragraph (6) shall include in the  
4           first report required to be filed under this sec-  
5           tion after each covered period (as defined in  
6           paragraph (2)) a separate schedule setting forth  
7           the name, address, and employer of each person  
8           reasonably known by the committee to be a per-  
9           son described in paragraph (7) who provided 2  
10          or more bundled contributions to the committee  
11          in an aggregate amount greater than the appli-  
12          cable threshold (as defined in paragraph (3))  
13          during the covered period, and the aggregate  
14          amount of the bundled contributions provided  
15          by each such person during the covered period.

16          “(B) DISCLOSURE OF BUNDLED CON-  
17          TRIBUTIONS TO PRESIDENTIAL CAMPAIGNS.—  
18          Each committee which is an authorized com-  
19          mittee of a candidate for the office of President  
20          or for nomination to such office shall include in  
21          the first report required to be filed under this  
22          section after each covered period (as defined in  
23          paragraph (2)) a separate schedule setting forth  
24          the name, address, and employer of each person  
25          who provided 2 or more bundled contributions



1 to the committee in an aggregate amount great-  
2 er than the applicable threshold (as defined in  
3 paragraph (3)) during the election cycle, and  
4 the aggregate amount of the bundled contribu-  
5 tions provided by each such person during the  
6 covered period and such election cycle. Such  
7 schedule shall include a separate listing of the  
8 name, address, and employer of each person in-  
9 cluded on such schedule who is reasonably  
10 known by the committee to be a person de-  
11 scribed in paragraph (7), together with the ag-  
12 gregate amount of bundled contributions pro-  
13 vided by such person during such period and  
14 such cycle.

15 “(2) COVERED PERIOD.—In this subsection, a  
16 ‘covered period’ means—

17 “(A) with respect to a committee which is  
18 an authorized committee of a candidate for the  
19 office of President or for nomination to such of-  
20 fice—

21 “(i) the 4-year election cycle ending  
22 with the date of the election for the office  
23 of the President; and

24 “(ii) any reporting period applicable  
25 to the committee under this section during



1 which any person provided 2 or more bun-  
2 dled contributions to the committee; and

3 “(B) with respect to any other com-  
4 mittee—

5 “(i) the period beginning January 1  
6 and ending June 30 of each year;

7 “(ii) the period beginning July 1 and  
8 ending December 31 of each year; and

9 “(iii) any reporting period applicable  
10 to the committee under this section during  
11 which any person described in paragraph  
12 (7) provided 2 or more bundled contribu-  
13 tions to the committee in an aggregate  
14 amount greater than the applicable thresh-  
15 old.

16 “(3) APPLICABLE THRESHOLD.—

17 “(A) IN GENERAL.—In this subsection, the  
18 ‘applicable threshold’ is—

19 “(i) \$50,000 in the case of a com-  
20 mittee which is an authorized committee of  
21 a candidate for the office of President or  
22 for nomination to such office; and

23 “(ii) \$15,000 in the case of any other  
24 committee.



1           In determining whether the amount of bundled  
 2           contributions provided to a committee by a per-  
 3           son exceeds the applicable threshold, there shall  
 4           be excluded any contribution made to the com-  
 5           mittee by the person or the person’s spouse.

6           “(B) INDEXING.—In any calendar year  
 7           after 2007, section 315(c)(1)(B) shall apply to  
 8           each amount applicable under subparagraph  
 9           (A) in the same manner as such section applies  
 10          to the limitations established under subsections  
 11          (a)(1)(A), (a)(1)(B), (a)(3), and (h) of such  
 12          section, except that for purposes of applying  
 13          such section to the amount applicable under  
 14          subparagraph (A), the ‘base period’ shall be  
 15          2006.’”.

16          (b) CONFORMING AMENDMENTS.—Subsection (i) of  
 17          section 304 of such Act (2 U.S.C. 434) is amended—

18               (1) in paragraph (5), by striking “described in  
 19               paragraph (7)” each place it appears in subpara-  
 20               graphs (C) and (D);

21               (2) in paragraph (6), by inserting “(other than  
 22               a candidate for the office of President or for nomi-  
 23               nation to such office)” after “candidate”; and

24               (3) in paragraph (8)(A)—



1 (A) by striking “, with respect to a com-  
2 mittee described in paragraph (6) and a person  
3 described in paragraph (7),” and inserting “,  
4 with respect to a committee described in para-  
5 graph (6) or an authorized committee of a can-  
6 didate for the office of President or for nomina-  
7 tion to such office,”;

8 (B) by striking “by the person” in clause  
9 (i) thereof and inserting “by any person”; and

10 (C) by striking “the person” each place it  
11 appears in clause (ii) and inserting “such per-  
12 son”.

13 (c) EFFECTIVE DATE.—The amendments made by  
14 this section shall apply with respect to reports filed under  
15 section 304 of the Federal Election Campaign Act of 1971  
16 after January 1, 2009.

17 **SEC. 11. EFFECTIVE DATE.**

18 Except as otherwise provided in this Act, the amend-  
19 ments made by this Act shall apply with respect to elec-  
20 tions occurring after January 1, 2009.

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